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C O N F I D E N T I A L SECTION 01 OF 02 BASRAH 000077

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SUBJECT: BASRAH GOVERNOR BESET WITH PROBLEMS

REF: (A) BASRAH 38 (B) BASRAH 44 (C) BASRAH 53 (D) BASRAH 58 (E) BASRAH 67 (F) BASRAH 71

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CLASSIFIED BY: Louis Bono, Regional Coordinator, Regional Embassy Office Basrah, Department of State. REASON: 1.4 (b), (d)

11. (C/NF) SUMMARY: Governor Muhammed Wa'eli visited the Regional Embassy Office (REO) August 30 to give us a tour de force of current issues confronting him. He told us that the court's decision on his fate was delayed and is now expected in mid-September. He seemed confident, but not overwhelmingly, that the court will rule in his favor and said he was getting support from President Jalil Talibani. He noted that the police force is infiltrated with militias loyal to the political parties, making their reform problematic. He maintains contact with MND-SE, but the Foreign and Commonwealth Office (FCO) refuses to speak to him. On national politics, Fadhila was negotiating with multiple parties to ensure its participation in the current or a future government. Wa'eli also refuted central government assertions that Basrah was "stealing" electrical power. End Summary.

## AND THE VERDICT IS...DELAYED

12. (C) Wa'eli said the court's decision has been delayed by the Provincial Council's (PC) failure to appear (refs A, B & G). Wa'eli also claimed that the PC's own lawyer admitted Wa'eli was likely to win. We noted that a month ago, Wa'eli was not optimistic, but that the momentum seems to have shifted in his favor (ref F). He replied that the legal proceedings were working in his favor because they were revealing the questionable circumstances of how the no-confidence vote occurred (refs A-C). Wa'eli also reported that Talibani told Maliki the Council of Ministers had no authority to direct Wa'eli to step down (ref B). Wa'eli added that during his most recent visit to Baghdad, which included a trip to Maliki's office, no one asked him to give up his position.

#### ON BASRAH'S SECURITY

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13. (C/NF) Wa'eli lamented that the central government's recent actions to fix Basrah's security problems were the same ones he recommended a year ago. The governor admitted that Basrah

security chief, LTG Mohan Hafith Fahad and Iraqi Police (IP) chief, MG Jalik Khalaf Shueil, seemed strong and made some improvements, yet Wa'eli stopped short of a personal endorsement. Instead, Wa'eli blamed the British for staffing the IP with police beholden to political parties and their militias following de-Baathification. He pointed out that the PC is now seeking to remove Jalil because he is trying to purge the IP of militia members. (Comment: the PC gave Jalil a no-confidence vote two weeks ago after he dismissed 112 corrupt members of the National Information and Investigation Agency. It is ironic that the PC was once counting on Maliki to fire Wa'eli, but is opposed to Jalil, who was appointed by Maliki, because Jalil is threatening their influence. End Comment.) Wa'eli added that the ISF are rarely seen on the streets and the IP and Iraqi Army need to coordinate better (ref E).

## RELATIONS WITH THE BRITISH

14. (C/NF) Wa'eli said that his relations with the British military were good, though he has not met or heard from the new MND-SE commander, MG Graham Binns. His relationship with the British Consulate was a different matter - one Wa'eli characterized as "hostile." According to governor, the British Consulate supported his removal in favor of his rival, Hassan al-Rashid, the head of the Badr Organization.

### FADHILA LOOKS TO ITS FUTURE

15. (C) Wa'eli indicated that Fadhila is negotiating with several parties to secure its involvement in the current or a future government (ref F). Fadhila remains critical of PM Maliki and his Dawa advisors who, according to Wa'eli, take instructions from Iran and are failing Iraq. But in the next breath, Wa'eli told us that Fadhila is negotiating with Maliki's governing coalition and may re-join the government, though it had not yet decided. Despite local tensions and disagreements over ideology, Wa'eli stated that Fadhila was also negotiating with ISCI and

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would consider unifying with ISCI were Adil Abd al-Mahdi to become PM, given al-Mahdi's nationalist tendencies. In fact, Wa'eli believes ISCI will play a larger role in a future government and is strong enough to potentially collapse the government by pulling out.

# BASRAH'S ELECTICAL OUTPUT

16. (C) Wa'eli refuted the central government's claims that Basrah was hording electrical power from Baghdad. He claimed that Minister of Electricity, Karim Wahid al-Hasan, was "looking for an excuse to save his job" because Hasan failed to improve electrical output. According to Wa'eli, half of Basrah's 7-800 Megawatt production goes to the oil refineries and ports, leaving only 450 Megawatts for the city. He said, "Shall I send that 450 to Baghdad leaving us with nothing?" He admitted Basrah had increased its electrical usage because consumers were purchasing more electric appliances due to positive job growth.

#### COMMENT

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17. (C) Wa'eli did not appear overconfident about his prospects to remain as governor. While he claims to have a solid legal case, another observer suggested that the court may determine that the PC's no confidence vote, which was conducted by signature and not in open session, is invalid. This could give the PC the option to take another vote in compliance with the court's instructions. Nevertheless, the opposition continues to refer to Wa'eli as the governor, and we will continue to work with him in this capacity pending the final resolution. BONO